

## **MINUTES**

### **MONTANA SENATE 57th LEGISLATURE - REGULAR SESSION COMMITTEE ON LOCAL GOVERNMENT**

**Call to Order:** By **VICE CHAIRMAN JOHN C. BOHLINGER**,  
on January 30, 2001 at 3:00 P.M., in Room 335 Capitol.

#### **ROLL CALL**

**Members Present:**

Sen. John C. Bohlinger, Vice Chairman (R)  
Sen. Chris Christiaens (D)  
Sen. John Cobb (R)  
Sen. Jim Elliott (D)  
Sen. Bill Glaser (R)  
Sen. Duane Grimes (R)  
Sen. Don Hargrove (R)  
Sen. Ken Miller (R)  
Sen. Emily Stonington (D)  
Sen. Ken Toole (D)

**Members Excused:** Sen. Dale Mahlum, Chairman (R)

**Members Absent:** None.

**Staff Present:** Leanne Kurtz, Legislative Branch  
Mary Gay Wells, Committee Secretary

**Please Note:** These are summary minutes. Testimony and  
discussion are paraphrased and condensed.

**Committee Business Summary:**

Hearing(s) & Date(s) Posted: SB 187, 1/28/2001  
SB 190, 1/28/2001  
SB 206, 1/28/2001  
SB 210, 1/28/2001

Executive Action: SB 21 - Tabled

***{Tape : 1; Side : A; Approx. Time Counter : 0}***

**HEARING ON SB 187**

**Sponsor:** SEN. JOHN COBB, SD 25, AUGUSTA

**Proponents:** Alec Hansen, MT League of Cities/Towns  
Robin Sullivan, Clerk of the Commission, City of  
Bozeman  
Jani McCall, City of Billings  
Jane Jelinski, MT Assoc. of Counties  
Jim Fall, Executive Director, MT Newspaper Assoc.

**Opponents:** None

**Opening Statement by Sponsor:**

**SEN. JOHN COBB, SD 25, AUGUSTA.** This bill would standardize the public notice provisions for local government units, would require a local government unit to publish two notices prior to a public hearing and allow a local government unit to publish a notice on a website as a supplement to a newspaper publication. There are about 100 statutes throughout Title 7 that have noticing requirements. Over the years there have been attempts to standardize these notices. Some require a two week notice and others require four successive weeks, etc. All statutes would be changed to require a notice be given two times with six days separation. Also, a published notice may be supplemented by publication on a local government website.

**Proponents' Testimony:**

**Alec Hansen, MT League of Cities/Towns.** His organization supports this bill. Everyone needs to have this standardization.

**Robin Sullivan, Clerk of the Commission, City of Bozeman.** She gave her testimony and handed in her written comments

**EXHIBIT (los24a01).**

She did recommend an amendment. For those cities that have an official website, there could be a place on the website for posting of notices and that would serve as the second notice instead of a second publication in the newspaper. That could save a few dollars for local governments.

**Jani McCall, City of Billings.** She was in support of the bill and would agree with the amendment previously recommended. The bill as it stands now would double the cost of noticing.

**Jane Jelinski, MT Assoc. of Counties.** The Assoc. has been waiting for this bill for 16 years. They definitely support the

bill. This should stop much of the litigation that cities have had to contend with.

**Jim Fall, Executive Director, MT Newspaper Assoc.** He gave his testimony and handed in the written copy **EXHIBIT(1os24a02)**. He recommended two revisions. He also handed in two letters of support with suggested changes. One was from Choteau Acantha Publishing & Commercial Printing **EXHIBIT(1os24a03)** and one from Meagher County News, White Sulphur Springs **EXHIBIT(1os24a04)**.

**Opponents' Testimony: None**

**Questions from Committee Members and Responses:**

**SEN. DUANE GRIMES** asked how this bill would affect the small counties. Would they experience difficulties in complying. **Robin Sullivan** did not know if the bill would have an adverse effect on them. She thought there was a provision in the bill that excluded those towns under 500.

**SEN. GRIMES** further questioned the meaning on page 4, "publication of notice." Did that mean a notice must be continually published for 12 months. **Ms. Sullivan** believed that meant the newspaper must be in existence for 12 months.

**Closing by Sponsor:**

**SEN. COBB** closed. He felt that the newspapers were concerned about losing business. The committee could make the decision whether to amend or not.

### **HEARING ON SB 190**

**Sponsor:** **SEN. ROYAL JOHNSON, SD 5, BILLINGS**

**Proponents:** **Bob Worthington, CEO, Montana Municipal Insurance Authority (MMIA)**  
**Howard Bailey, MT Schools Group**  
**Steven Fenter, Wells Fargo Trust Co.**

**Opponents:** **None**

**Opening Statement by Sponsor:**

**SEN. ROYAL JOHNSON, SD 5, BILLINGS.** This bill will go to the voters for their approval. Different entities have wanted to use

equities in their reserves. It was put on the ballot last election for the State Fund and it passed. This allowed state funds to be invested, up to 25% in equity, by the Board of Investments. This is the only possible way to have their assets grow except by putting in earnings from their premiums, etc. If the state wants competitive businesses and have them supply what they need to their prospective customers, the state should let them operate like a business. An amendment to Article VIII, Section 13, of the Montana Constitution, that would provide for the investment of the assets of a local government group self-insurance program would be submitted to the voters. This would be the same that the Legislature has done for the state fund. Remember, local governments do not manage their funds on a local level. They have professional managers that do a very good job for them. This bill will allow them to diversify which is good business practice.

**Proponents' Testimony:**

**Bob Worthington, CEO, Montana Municipal Insurance Authority (MMIA).** This is a group who insures cities and towns and represents 117 of the incorporated 120 cities and towns in Montana. MMIA is one of the local government self insurers who are referred to in this bill. This is an attempt to level the playing field. One of our competitors, the State Fund, was given this ability in the last election. MMIA has been in business for fifteen years. It has been estimated they have saved those cities and towns money in excess of \$15 million in premiums for the programs that they represent. One of the processes that they get involved in are long terms on claims, especially from the liability side. It takes a long time for many of those claims to mature and it is difficult to manage funds when those claims have to be turned over quickly. This bill would allow them to extend the management of those funds and invest in a prudent manner over the long term. This would be in the best interest of their company and the taxpayers.

**Howard Bailey, Program Administrator, MT Schools Group.** He agreed with the previous testimony. His program started in 1989. Today, they represent 214 school district members. They are called members because in some instances a school district may be a combination of school districts. There are over 80 percent of all employees and payrolls from schools in this program. There are approximately 34,000 employees. Contributions are \$4 million plus and it is crucial the company do the best job possible in managing these funds. The savings to schools since 1989 through premiums has been over \$3 million plus. This bill would help in managing the funds and doing even better for the members.

**Steven Fenter, Wells Fargo Trust Co.** He spoke to the element of risk that is involved with the investment of money. If one is going to be in a competitive position, he needs to have a level playing field. These organizations are insurance companies no more nor less than Prudential, Safeco, etc. The conventional structure of an insurance company is basically a pool of money. They invest that money with the thought of a crisis 20-30 years down the road. What they will incur in medical costs and legal fees is almost impossible to imagine, much less to project. A conventional insurance company will not only invest in bonds but in stocks, real estate, gold, etc., anything of value. This legislation proposal is not nearly that extensive. It provides up to 25 percent participation in the equities market of the stock market. He passed out a chart **EXHIBIT (los24a05)** and he explained the chart. It showed the record for the last fifty years on loss, average return and gain with different portfolio mixes. The difference in the mix was between stocks and bonds. The mix that did the best average return had 90% stocks and no bonds. The mix that did the worst average return had no stocks and 90% bonds. The amount that would be allowed under this bill would be approximately 20-30% stocks and 60-70% bonds. Over time, invested well, the rate of return can be increased. On the chart, the rate of return is not overly astounding. But with the change in law, there would be approximately a 33% rate of increase over all the assets held. In the lower right hand corner, it shows 63%. The heading on that column is "Percent of returns greater than inflation." That shows the number of times that mix would beat inflation. Sixty-three percent sounds pretty conservative and it is. But 63% is only six out of 10. Bonds did not beat inflation four years out of 10. That is the silent killer in investment. Inflation is always a problem for investors. That is why they need a level playing field.

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**Opponents' Testimony: None**

**Questions from Committee Members and Responses:**

**SEN. CHRIS CHRISTIAENS** asked if Mr. Worthington, in his self insurance program, was doing any structured settlements. **Bob Worthington** responded that yes they had done a couple, only in the court ordered issues.

**SEN. CHRISTIAENS** inquired that in doing structured settlements, would this bill assist the company to invest some of that money over the long run. **Mr. Worthington** answered that it may be of assistance, but they had not thought of it in that light.

Generally when a structured settlement is done, there is a facility that takes over the management of those funds.

**SEN. CHRISTIAENS** wondered about the original investors that were no longer involved. What is the liability and the fiduciary responsibility of the people who happened to be there at the time of the original investments. Would those following take over the liability. **Mr. Worthington** answered yes, they have a standard that they operate under which has been adopted by the Board.

**SEN. EMILY STONINGTON** has a problem with cluttering the Montana Constitution with more sections. This bill would do that in the way it had been written. She wondered if the sponsor would be willing to work on an amendment to make the bill read better.

**SEN. JOHNSON** responded in the affirmative. The reason the bill was not written as had been suggested is it has to appear on the ballot in a certain way. If legal council agrees that this can be done and still have it written properly for the ballot, that is a fine idea.

**SEN. DUANE GRIMES** asked if the "prudent expert standard" that was created on page 2, line 8-9 is a recognized and valid standard or must a technical threshold be added. **SEN. JOHNSON** remarked that was a legitimate concern; but in fact, that is exactly the way it is expressed throughout almost every fiduciary capacity.

**Closing by Sponsor:**

**SEN. JOHNSON** closed. This is a good bill patterned after the bill that gave the State Fund the ability to invest in equities. This is not a mandate; it gives them the option to do so.

**HEARING ON SB 210**

**Sponsor:** **SEN. MIGNON WATERMAN, SD 26, HELENA**

**Proponents:** **Ron Alles, Chief Administrative Officer, Lewis & Clark County**  
**Jane Jelinski, MT Assoc. of Counties (MACO)**  
**Tom Schneider, MT Public Employees Assoc. (MPEA)**  
**Rose Hughes, Executive Director, MT Health Care Assoc.**

**Opponents:** **Mike O'Connor, Executive Director, Public Employees' Retirement System**

**Opening Statement by Sponsor:**

**SEN. MIGNON WATERMAN, SD 26, HELENA.** The proposal is described in the title. It allows employees of county hospitals and rest homes in 1<sup>st</sup> and 2<sup>nd</sup> class counties to have the option to not join the Public Employees' Retirement System (PERS). One of the two nursing homes in this category are in her district. Other county nursing home facilities are exempt from this provision of the law. It only applies to class one and class two counties. These employees do not earn a high hourly wage. The pay scale starts at \$6.77 per hour. Forty-seven cents of that or \$37 every two weeks must go into this Public Employees Retirement System (PERS). Many of these employees are transitional. They only work from one to three years or less. They do not become vested (five years is the minimum for vestment). The employees can choose to do this or not. This makes the statute consistent for all the counties, rest homes and hospitals.

**Proponents' Testimony:****Ron Alles, Chief Administrative Officer, Lewis & Clark County.**

He was the acting administrator for six months in a nursing home. In that capacity, he had the opportunity to speak to a number of the employees. This was a concern of theirs. Many of those employees know they are transitional and they would like the opportunity to at least choose whether or not to be a part of the program. Many felt they could better use that \$37 every two weeks to help pay their rent. This legislation makes class one and two counties consistent with all other counties.

**Jane Jelinski, MT Assoc. of Counties.** MACO supported the bill. There should be no difference between the counties as to whether an employee can or cannot opt out of PERS.

**Tom Schneider, MT Public Employees Assoc. (MPEA)** MPEA has been involved with this issue before. They were in full support of this bill. These facilities have a hard time keeping personnel. A facility could go private but the employees would not then be covered by PERS or the state for benefits. The regular employees would lose everything. In the area of retirement, if these facilities were pushed to a point to privatize, people who had been there 15-20 years would lose their retirement benefits at that point. It is important this bill pass.

**Rose Hughes, Executive Director, Mt Health Care Assoc.** They are in support of the bill because the financial resources of these facilities are low. Staffing resources are at a crisis point. They have a hard time keeping people. They need the flexibility

to utilize the resources they have in the best way possible to hire and keep staff, etc.

**Opponents' Testimony:**

**Mike O'Connor, Executive Director, Public Employees' Retirement System.** The board of PERS opposed this bill. It is a policy decision. The legislators are the policy makers when it comes to both state and local government. This bill expands optional membership in PERS. The boards's problem is that they do not see optional membership as being good. They are opposed to optional membership. The interim committee on public retirement came up with policy decisions regarding retirement. One decision was not to encourage employees to opt out. It doesn't affect the retirement system financially. The retirement system is for recruiting and to make retirement possible for the public employee. This bill creates gaps in an individual's retirement coverage. The board would like to see each individual be able to be covered for retirement through their whole working career.

**Questions from Committee Members and Responses:**

**SEN. CHRISTIAENS** asked if the employer matches what the employee puts into PERS. **Mike O'Connor** stated that 6.9 percent is contributed by both employer and employee.

**SEN. CHRISTIAENS** inquired, if the employee elected not to participate in PERS, would this bill create a 6.9% increase in the pay of the employee. **Mr. Schneider** said that is the way it worked at the Marias Center. They have an alternate pay package that if the employee does not take PERS, and this affects only new personnel, the employee's pay reflects the entire contribution. The employee does not make the contribution and the pay is increased by what the employer saves. This is subject to negotiation. This would not be guaranteed unless it was included in the bill.

**SEN. CHRISTIAENS** felt that maybe the bill should be amended and make it mandatory for employers to give the employee the amount of money they saved by not contributing if the employee opted out of PERS.

**SEN. GRIMES** looked at this optional membership, it seemed strange to include elected officials, part-time employees, governor's appointees, and county hospitals. **Rose Hughes** stated that her understanding of how the employees of county hospitals and nursing homes got included was several years ago the hospital association came in and introduced and passed legislation dealing with those places. And the reason they picked 3<sup>rd</sup>, 4<sup>th</sup>, 5<sup>th</sup>, 6<sup>th</sup>



and 7<sup>th</sup> class counties was because most of their hospitals and nursing homes were in those classes of counties.

**SEN. GRIMES** said, given that history, this bill would make a change but not open pandora's box. He wanted to have the record clear that the intention of the Legislature did not intend to open up "opting out" for just everyone. **SEN. WATERMAN** offered that this bill addresses only a very limited situation. And it is optional.

**SEN. BILL GLASER** inquired if there are only two of these facilities that would be affected by this bill. And are they both subject to collective bargaining. **Mr. Schneider** replied in the affirmative. One facility is in Bozeman and one in Lewis and Clark County. He was not sure about Bozeman, but the Lewis and Clark facility has collective bargaining.

**SEN. GLASER** asked **Ms. Jelinski** the same question. **Ms. Jelinski** replied yes. They formed a collective bargaining unit a few years ago.

**SEN. KEN TOOLE** wanted to know that if this bill passes, is it **Mr. Alles'** intention, at the bargaining table, to put the employers' share of money into the employees' salary. **Mr. Alles** replied that would need to be negotiated. They have established a market-based pay plan. A dual-edged pay schedule might be established to address the plan that would be chosen by the new employee. He did not want to say at this point the entire amount would go into the employees' salary. It would have to go through the collective bargaining process.

**SEN. TOOLE** questioned, if an employee works for a year, does that employee receive their share back that had been put into PERS. **Mike O'Connor** informed him that under the current PERS plan, they would receive that amount back plus interest.

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**VICE CHAIRMAN JOHN BOHLINGER** recounted that they had heard a typical employee makes \$6.70 and does not consider the job as a career opportunity. They would not stay for any length of time. He wondered what solution might be offered to these people. **Mr. O'Connor** offered that it is probably an educational issue. The problem today is that people don't save. If these people could be educated to save for their own retirement, even just a little bit, that would be great for them and for the state.

**Closing by Sponsor:**

**SEN. WATERMAN** closed. When someone leaves the county's employment they don't get the county's 6.9%. For those individuals, they are not giving it up. It is sad that these people don't stay past five years. The average is less than one year, but they aren't giving anything up. This will give them an opportunity to have some funds up front. An amendment would be a disincentive for people to exercise the option of joining PERS.

**HEARING ON SB 206**

**Sponsor:** SEN. BOB KEENAN, SD 38, BIG FORK

**Proponents:** None

**Opponents:** Jim Smith, Sheriff's & Peace Officer's Assoc.  
Jim Oberhofer, MT Board of Crime Control  
Gary Felstad, President, MT Assoc. of Counties (MACO)  
Ray Barnicoat, Risk Manager, MT Assoc. of Counties  
Bob Worthington, MT Municipal Insurance Authority

**Opening Statement by Sponsor:**

**SEN. BOB KEENAN, SD 38, BIG FORK.** Senate Bill 206 comes as a result of some citizens in Big Fork which is unincorporated. They wanted to enhance law enforcement. Big Fork is in the southeast corner of Flathead County. The law enforcement gives pretty decent service in Big Fork. These people wanted to establish a local law enforcement district, a special improvement district or taxing entity, so they could contract for an enhanced law enforcement. This bill was started about July 20 and then two months ago Jim Smith contacted **SEN. KEENAN** and informed him the sheriffs were very concerned because the bill would enable a local law enforcement district to contract with those other than the law enforcement agency that has jurisdiction. He didn't have a problem with making that adjustment. This legislation was drafted basically following the Title 7 guidelines for special improvement districts. There is an amendment that the sponsor handed out **EXHIBIT(1os24a06)**.

**Proponents' Testimony:** None

**Opponents' Testimony:**

**Jim Smith, Sheriff's & Peace Officer's Assoc.** He gave his testimony and handed in a written copy **EXHIBIT(1os24a07)**. He also spoke of an amendment and handed in the proposed amendment **EXHIBIT(1os24a08)**.

**Jim Oberhofer, MT Board of Crime Control.** He is opposed to the bill in the way it was written only in Section 5 (c) a contract security company established pursuant to Title 37, chapter 60. It is an unfair expectation of a law enforcement services district. The people are expecting that law enforcement would respond. By contracting with private security, they are not sworn, they are not law enforcement and they have not had the training current law enforcement officers go through in order for certification. With the amendment, he did not have a problem with the bill.

**Gary Felstad, President, MT Assoc. of Counties(MACO).** He opposed the bill in the way that it was written. With the amendments and more work on it, they might be able to support the bill. Having been a four-term county sheriff before being county commissioner, he attested to some of the concerns the sheriffs have in regard to those issues. They are elected to represent the issues of those people in those respective counties and those folks should work with those people to get the issue resolved. The training requirements are important for insurance and liability issues. The county would have to appoint the board to oversee this function. If commissioners are appointing those trustees for those service areas, that would extend some liability to the county insurance pools. They are sympathetic to the people who have requested this, but they believe it should come from the elected local law enforcement people.

**Ray Barnicoat, Risk Manager, MT Assoc. of Counties.** His group operates self insurance policies. Because of some of the unanswered or uncertain issues that concern this bill, there was some discomfort with the bill. It seemed that it could be fixed and he hoped that would be done.

**Bob Worthington, MT Municipal Insurance Authority.** As Mr. Oberhofer has stated, they also have concerns with the way local law enforcement would interact and the ability for those organizations to form local agreements with non-sworn officers. We opposed this bill.

**Questions from Committee Members and Responses:**

**SEN. JIM ELLIOTT** said that in his time at the Legislature, he had seen various localities come and ask for powers of local self government without actually being required to incorporate. Some of those areas are in his district. He wanted to know what the sponsor felt was the problem with incorporating. **SEN. KEENAN** replied that issue comes up probably every session. It never got much attraction to have another taxing entity and it has never been brought to a vote. Those proponents of incorporating Big

Fork don't feel like it's a doable thing. Those very people who would like to incorporate to get a local option sales tax, etc. are the same people who requested this bill. Perhaps this is the first step.

**SEN. ELLIOTT** further questioned if this bill was an incremental approach to incorporation. **SEN. KEENAN** replied that is possible.

**SEN. BILL GLASER** summarized the bill. Big Fork is asking for the authority to tax themselves and, with the amendments, go to the county and augment money to the county in order to receive heightened law enforcement in their area. **SEN. KEENAN** affirmed, "Well said."

**SEN. GLASER** further stated that with such a shortage of money everywhere, he was surprised that community is willing to tax themselves. He also was surprised that the proponents were not at the hearing in support of the bill. **SEN. KEENAN** replied that there are some confusing parts to the bill. The way the bill was drafted, he was able to see where the sheriff may take offense. But the community is now trying to raise money to contract with the law enforcement district for enhanced service. The community had heard from county officials but have not heard from the League of Cities/Towns. As part of this bill, if the subdivision had a particular problem on weekends with kids driving through fast or burglaries, they could draw the line, tax themselves and give \$30,000 to \$40,000 to the local city police and ask for an officer in the area from 9:00 p.m. to 4:00 a.m. on Friday and Saturday nights. This legislation would enable the community to do that.

**SEN. GLASER** asked if that would not be similar to the schools hiring law enforcement officers to come into the schools.

**SEN. DON HARGROVE** offered his opinion that there would be other ways to go about taking care of the problem. Big Sky, which is in his district, can not incorporate because they are not dense enough. It would seem that one way would be to incorporate and take on those responsibilities of incorporation. Maybe they want some of the privileges without the responsibilities. It also seems there could be a mill levy to hire more deputies for the sheriff. It did not make sense to him to contract to them when they are other ways. He then asked for a comment on his statements. **SEN. KEENAN** felt that to get a countywide mill levy passed would be difficult to do to enhance law enforcement services in one corner of the county. Concerning privileges, it seems that the majority of the citizens of Big Fork (judging from election results and that he himself is here) are not ready for another taxing entity. They are leery of that. **SEN. KEENAN** held

that the law enforcement in Big Fork has been fine. The town has had somewhat of a deputy now and the response is very good. But he works eight hours a day, five days a week. If there are problems during those times, the town is in good shape.

**SEN. HARGROVE** asked if the contract security company is taken out, what is left. **SEN. KEENAN** responded that was the intent of the amendment, thereby making a contract with the local law enforcement the only avenue.

**SEN. HARGROVE** wondered if the local law enforcement service had extra people that could be contracted out to Big Fork. **SEN. KEENAN** was not sure about the staffing levels. If there is a lack of funds for adequate coverage, this bill would allow the community to tax themselves and contract for enhanced services. He continued with a question to himself concerning Section 6, (2). It uses the word "structures" and he thought it should say property rather than structures. He left that question for the Local Government Committee.

**SEN. DUANE GRIMES** did not see all the problems that others have seen in the bill. He offered to exclude Lincoln and Garfield counties. The issue is a policy problem. It appears to be the same as the equalization issue in the schools. There are a number of scenarios in his district that would not lend itself to incorporation but those areas could have the where-with-all to afford more law enforcement. The problem is not where law enforcement is needed the most. It must be quite a quandary for the law enforcement professionals who are supposed to be dedicated to one area when most of the difficulties occur in the surrounding areas where there are not enough funds. It creates inequality in coverage. He did not have a problem with the bill because it is trying to handle situations that face remote areas of the state or growing areas of the state.

**SEN. KEENAN** said it is his understanding, not having been in law enforcement, if a neighboring patrolman from Whitefish is close to the Kalispell city line and something happens, there is a quid pro quo and they would respond.

**SEN. KEN TOOLE** asked if the problem could not be dealt with by the private sector. If a number of people in a community want increased patrolling, why can they not hire a security service. **SEN. KEENAN** responded that this bill is no more than an enhanced neighborhood watch program with funding.

**SEN. TOOLE** asked the same question of **Jim Smith**. **Mr. Smith** replied no. It is probably functional within the parameters that they can work within. That would be patrolling a district or

neighborhood. If they see something out of order, they would call full time law enforcement. The private security folks could not detain or arrest anyone. They couldn't bring them to the county jail. Current law, 37-60 does authorize contract or private security. That option is available.

**SEN. JOHN COBB** commented on the funding mechanism. On page 1, line 11 it states "at least 10% of the owners of real property " and on line 25, it states "50% of the property owners can protest." Ten percent can start a petition and 50% are needed to stop it. On page 2, lines 3 and 5, it states, "any existing indebtedness of a service area that is dissolved remains the responsibility of the owners of property within the service area, and any assets remaining after all indebtedness has been satisfied must be returned to the owners of property within the service area." In the New Section 6 (2) it states, "the rates must be applied on a fair and equal basis to all classes of structures benefitted by the law enforcement service area." He was confused because the real property owners start the petition and so many to protest and who pays, etc.

**SEN. HARGROVE** assumed that this had been lifted out of irrigation districts or sewer districts and transferred verbatim, and wondered if this were so. **SEN. KEENAN** believed that was correct. This seems to be all about county commissioners. The county commissioners are carrying the ball here. The local citizens are going to the county commissioners and asking them to begin a process. It becomes the county commissioners process all through this. Now MACO comes in and opposes the bill. He then wondered if he had pitted the county sheriffs against the county commissioners. It looked as if the bill was rather simple. The citizens are asking the county commissioners to begin a process so they can tax themselves and that is clearly set up in Title 7 and other jurisdictions.

**VICE-CHAIRMAN BOHLINGER** understood the bill would allow a community to impose a tax on themselves to hire what appears to be a group of vigilantes, not necessarily trained lawmen. He felt there might be a need to have training for them. He then asked for comment. **SEN. KEENAN** answered that had been taken care of with the amendment. The bill also offers a remedy to address the fact that, when something happens in a small community, people may get the idea to take the law into their own hands.

**SEN. HARGROVE** wanted to know if this bill passes would it relieve the sheriff and his people of responsibility in that area. **SEN. KEENAN** did not believe so. It is just asking for enhanced enforcement service. It should be advantageous to the county sheriff's budget with extra funds.

**Closing by Sponsor:**

**SEN. KEENAN** closed.

**EXECUTIVE ACTION ON SB 21**

**Motion:** **SEN. TOOLE** moved that **SB 21 BE AMENDED EXHIBIT(1os24a09)**.

**Discussion:**

**Leanne Kurtz** explained the amendments.

**SEN. JIM ELLIOTT** is offended by the amendments. It seems a tedious process to make sure the state or county is safe through a fire season. In light of his question of yesterday of how far in advance do the fireworks people need to plan, either the total discretion of the board of county commissioners should be able to be used in a dire emergency or the sale of fireworks in the state should be banned outright. These people would not be able to plan their economic future. They stated that safety was first and foremost in their minds.

**SEN. CHRISTIAENS** felt the first amendment was contradictory to how the county commissioners stated their position.

**Ms. Kurtz** said that "during a declared fire season" is a separate part of the title. County governing bodies could ban the use of fireworks during a declared fire season. The vote would take place outside of the declared fire season. These are two separate issues.

**SEN. HARGROVE** stated that in terms of the amendment, he felt that Title 10 is specific in stating what the county commissioners can do. The question then is whether the committee should address the specific danger or threat or just in general. This amendment does not really help; it make it even less clear.

**SEN. COBB** said that Section 3 is very confusing.

**SEN. GLASER** commented that in eastern Montana, July 4 is always in the middle of the fire season. The trucks are full of water and ready to go. The county commissioners have already said the fire season is in effect.

**Vote:** Motion that **SB 21 AMENDMENT BE ADOPTED failed unanimously.**

**Motion/Vote:** SEN. STONINGTON moved that **SB 21 BE TABLED. Motion carried unanimously.**

**VICE CHAIRMAN BOHLINGER** carried **SEN. DALE MAHLUM'S** proxy, voting no on the amendment and yes on the tabling motion.



**ADJOURNMENT**

Adjournment: 5:00 P.M.

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SEN. DALE MAHLUM, Chairman

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MARY GAY WELLS, Secretary

DM/MW

**EXHIBIT (los24aad)**